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(Original Signature of Member)

107TH CONGRESS
2^D SESSION

H. R. _____

IN THE HOUSE OF REPRESENTATIVES

Mrs. CAPITO introduced the following bill; which was referred to the
Committee on _____

A BILL

To amend title XVIII of the Social Security Act to establish
a medicare prescription drug discount card endorsement
program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Senior Prescription
5 Savings Now Act of 2002”.



1 **SEC. 2. MEDICARE PRESCRIPTION DRUG DISCOUNT CARD**
2 **ENDORSEMENT PROGRAM.**

3 Title XVIII of the Social Security Act is amended by
4 inserting after section 1806 the following new section:

5 “MEDICARE PRESCRIPTION DRUG DISCOUNT CARD
6 ENDORSEMENT PROGRAM

7 “SEC. 1807. (a) IN GENERAL.—The Secretary shall
8 establish a program—

9 “(1) to endorse prescription drug discount card
10 programs that meet the requirements of this section;
11 and

12 “(2) to make available to medicare beneficiaries
13 information regarding such endorsed programs.

14 “(b) REQUIREMENTS FOR ENDORSEMENT.—The
15 Secretary may not endorse a prescription drug discount
16 card program under this section unless the program meets
17 the following requirements:

18 “(1) SAVINGS TO BENEFICIARIES.—The pro-
19 gram passes on to beneficiaries who enroll in the
20 program discounts on prescription drugs, including
21 discounts negotiated with manufacturers.

22 “(2) PROHIBITION ON APPLICATION ONLY TO
23 MAIL ORDER.—The program applies to drugs that
24 are available other than solely through mail order.

25 “(3) BENEFICIARY SERVICES.—The program
26 provides pharmaceutical support services, such as



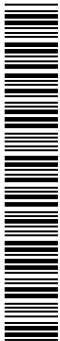
1 education and counseling, and services to prevent
2 adverse drug interactions.

3 “(4) INFORMATION.—The program makes
4 available to medicare beneficiaries through the Inter-
5 net and otherwise information, including information
6 on enrollment fees, prices charged to beneficiaries,
7 and services offered under the program, that the
8 Secretary identifies as being necessary to provide for
9 informed choice by beneficiaries among endorsed
10 programs.

11 “(5) DEMONSTRATED EXPERIENCE.—The enti-
12 ty operating the program has demonstrated experi-
13 ence and expertise in operating such a program or
14 a similar program.

15 “(6) QUALITY ASSURANCE.—The entity has in
16 place adequate procedures for assuring quality serv-
17 ice under the program.

18 “(7) ADDITIONAL BENEFICIARY PROTEC-
19 TIONS.—The program meets such additional require-
20 ments as the Secretary identifies to protect and pro-
21 mote the interest of medicare beneficiaries, including
22 requirements that ensure that beneficiaries are not
23 charged more than the lower of the negotiated retail
24 price or the usual and customary price.



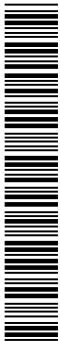
1 “(c) PROGRAM OPERATION.—The Secretary shall op-
2 erate the program under this section consistent with the
3 following:

4 “(1) PROMOTION OF INFORMED CHOICE.—In
5 order to promote informed choice among endorsed
6 prescription drug discount card programs, the Sec-
7 retary shall provide for the dissemination of infor-
8 mation which compares the costs and benefits of
9 such programs in a manner coordinated with the
10 dissemination of educational information on
11 Medicare+ Choice plans under part C.

12 “(2) OVERSIGHT.—The Secretary shall provide
13 appropriate oversight to ensure compliance of en-
14 dored programs with the requirements of this sec-
15 tion, including verification of the discounts and serv-
16 ices provided.

17 “(3) USE OF MEDICARE TOLL-FREE NUMBER.—
18 The Secretary shall provide through the 1-800-medi-
19 care toll free telephone number for the receipt and
20 response to inquiries and complaints concerning the
21 program and programs endorsed under this section.

22 “(4) DISQUALIFICATION FOR ABUSIVE PRAC-
23 TICES.—The Secretary shall revoke the endorsement
24 of a program that the Secretary determines no
25 longer meets the requirements of this section or that



1 has engaged in false or misleading marketing prac-
2 tices.

3 “(5) ENROLLMENT PRACTICES.—A medicare
4 beneficiary may not be enrolled in more than one en-
5 dorsed program at any time.

6 “(d) TRANSITION.—The Secretary shall provide for
7 an appropriate transition and discontinuation of the pro-
8 gram under this section at the time outpatient prescrip-
9 tion drug benefits first become available under a part D.

10 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
11 are authorized to be appropriated such sums as may be
12 necessary to carry out the program under this section.”.

